



# NEWS RELEASE

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**FOR IMMEDIATE RELEASE**

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## **FORMER HOUSING MANAGER INDICTED FOR EMBEZZLING HUD FUNDS**

(Beaumont, TX) United States Attorney Matthew D. Orwig announced that a 56-year-old Eagle Lake, Texas man has been indicted for embezzling from a HUD-funded apartment complex in Nacogdoches. A federal grand jury returned the 3-count indictment against **LARRY LIPPMAN** late yesterday.

According to the indictment, Lippman was hired in 2000 by the Nacogdoches County Industrial Trust (NCIT), a non-profit organization that received federal assistance from the U.S. Department Housing and Urban Development (HUD) to manage the day-to-day activities and functions of the Eastwood Terrace Apartments (ETA), a low-cost housing facility in Nacogdoches. The indictment alleges that from August 2000 to May 2003, Lippman, as managing agent of ETA, paid himself an unauthorized salary of \$60,000 a year in addition to the authorized management fee of \$3,300 per month. Lippman disguised the payments by transferring ETA money into bank accounts under his control and falsely characterizing the payments as part of the ETA employee leasing expenses.

If convicted, Lippman faces up to ten years in federal prison and a fine of up to \$250,000.00, as well as mandatory restitution. It is important to

note that an indictment should not be considered as evidence of guilt and that all persons charged with a crime are presumed innocent until proven guilty beyond a reasonable doubt.

The case is being investigated by the U.S. Department of Housing and Urban Development, Office of Inspector General and prosecuted by Assistant U.S. Attorney Malcolm Bales.

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